

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 212 – HB 392

April 6, 2015

SUMMARY OF ORIGINAL BILL: Extends the termination date of the Tennessee Athletic Commission (Commission) to June 30, 2017. Under the *Tennessee Governmental Entity Review Law*, the Commission was scheduled to terminate on June 30, 2014.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (005461): Extends the termination date of the Tennessee Athletic Commission (Commission) to June 30, 2015. Under the *Tennessee Governmental Entity Review Law*, the Commission was scheduled to terminate on June 30, 2014.

Attaches the Commission to the Division of Regulatory Boards and reorganizes the appointments of the membership without increasing the total number of members to serve on the commission. Establishes that the Director of the Division of Regulatory Boards, or the director's designee, shall serve as the executive director of the Commission and shall perform all administrative functions for the commission. Changes the amount of medical insurance every promoter of a professional contest of unarmed combat shall provide proof to cover injuries sustained by a combatant while engaged in professional contests from an amount not less than \$25,000 to an amount set by rule.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Decrease State Expenditures - \$78,900/Tennessee Athletic Commission

Assumptions for the bill as amended:

- The Commission is currently in the wind down process pursuant to Tenn. Code Ann. § 4-29-112. The proposed legislation will extend the wind down period for an additional year through June 30, 2016.
- This bill continues an existing entity at its current funding level.
- Currently, the executive director is a salaried position of the Commission. The provisions of the bill direct the executive director of the Division of Regulatory Boards, or a designee, to serve as the executive director of the Commission. This will authorize the Division of Regulatory Boards to shift existing personnel to serve as the executive director; therefore, decreasing the expenditures of the Commission.

- The current executive director's salary is \$59,200. Benefits and insurance are estimated to be \$19,685 [(\$59,200 x .1503) + (\$59,200 x 0.0765) + \$5,258.60].
- The total decrease in state expenditures is estimated to be \$78,885 (\$59,200 + \$19,685).
- According to the Governor's Recommended Budget Document for FY15-16 (page B-280), total recommended funding for the Commission for FY15-16 is \$256,700 in state funds.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink, appearing to read "Jeffrey L. Spalding", written in a cursive style.

Jeffrey L. Spalding, Executive Director

/kml